

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

SHEBA COWSETTE,

Plaintiff,

v.

**FEDERAL NATIONAL MORTGAGE
ASSOCIATION,**

Defendant.

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Civil Action No. **3:16-CV-2430-L**

ORDER

On October 27, 2016, Magistrate Judge David L. Horan entered the Findings, Conclusions and Recommendation of the United States Magistrate Judge (“Report”) recommending that the court grant Defendant’s Motion to Compel Arbitration (Doc. 6), filed September 21, 2016, and dismiss this action without prejudice. As of the date of this order, there are no objections filed to the Report.

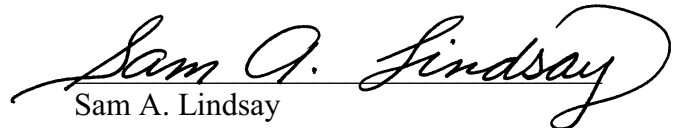
Having reviewed the motion, response, reply, file, record in this case, and Report, the court determines that the findings and conclusions of the magistrate judge are correct, and **accepts** them as those of the court. The magistrate judge correctly determined that the claims asserted in this case are subject to arbitration; however, the court **rejects** the recommendation that this action be dismissed without prejudice.

As noted by the magistrate judge, section 3 of the Federal Arbitration Act (“FAA”), 9 U.S.C. §§ 1-16, provides for a stay pending arbitration; however, when all claims are subject to arbitration, the court, in its discretion, may dismiss the action with prejudice. *Alford v. Dean Witter Reynolds, Inc.*, 975 F.2d 1161, 1164 (5th Cir. 1992) (citations omitted). The reason for dismissal with prejudice is that retaining jurisdiction of the action by the district court serves no purpose because any

remedies after arbitration are limited to judicial review based on the grounds set forth in the FAA. *Id.* (citation omitted). Based on the parties' 2015 Agreement, all claims are subject to arbitration. As all of the claims in this case are subject to arbitration, the court determines that there is no reason for it to retain jurisdiction over the action. Moreover, while Defendant requests that the court stay this case pending arbitration, it has not provided any reasons justifying the court's retention of jurisdiction of the action.

The court, therefore, **grants** Defendant's Motion to Compel Arbitration (Doc. 6) and **dismisses with prejudice** this action. The parties **shall** arbitrate this action in accordance with their 2015 Agreement. The court **denies** Defendant's request to stay this action.

It is so ordered this 30th day of November, 2016.


Sam A. Lindsay
United States District Judge